

MEMORANDUM OF UNDERSTANDING BETWEEN

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA



AND

THE GOVERNMENT OF THE STATE OF CALIFORNIA

Memorandum of Understanding ("MOU") entered into by the Regents of the University of California ("University of California" or "UC") and the Government of the State of California ("Government of California"), hereinafter jointly referred to as the "Participants" and individually as the "Participant;"

Whereas the "Participants" seek to expand the current level of collaboration and exchange of shared areas of interest and expertise in Mexico;

Acknowledging that the activities carried out by virtue of this "MOU" are based on a spirit of cooperation and reciprocity for the mutual benefit of "Participants;"

Considering the interest in establishing a written agreement, of the principles consented to by the "Participants," regarding general academic and commercial objectives;

Whereas this "MOU" is a non-binding agreement, whose intent is to clarify the nature and scope of the complementary activities that could be carried out for the benefit of the "Participants."

They have agreed to the following:

SECTION I

BACKGROUND

California and Mexico share an intertwined history, and cultural and economic ties that transcend our border. Our future success is dependent on mutual understanding and a collaborative approach to the common opportunities and challenges that both societies face.

Mexico is the 15th largest economy in the world and the United States' second largest bilateral trading partner. Mexico has remained the United States' second largest export market since 1995 – the total value of U.S. goods exported to Mexico in 2018 was \$265 billion. Mexico is one of California's most important trading partners – it is California's number one market for exports. Mexico purchased 17 percent of all California exports in 2018, amounting to \$30.7 billion. This is almost twice the amount of exports to Canada and China, California's next largest trading partners. What's more, California imported \$44 billion in goods from Mexico in 2018.

The University of California is uniquely positioned to have a significant partnership with, and impact on, the Americas. This is particularly true in Mexico, a country with which the UC has a long-standing history of engagement and innovative partnerships. UC's relationship with Mexico is being strengthened by the integration of three UC system-wide programs: La Casa de la Universidad de California en México (Casa de California), the UC-Mexico Initiative, and the University of California Institute for Mexico and the United States (UC MEXUS). The overall goal of this consolidation is to develop a coordinated strategy for a long-term relationship between UC and academia, government, and the private sector in California and Mexico. This strategy is aimed at addressing issues of mutual concern and to promote closer relations.

The Government of California has focused on addressing issues imperative to the U.S.-Mexico relationship: tackling cross-border pollution, promoting cultural and educational exchanges, and working together constructively on mutual issues of immigration.

The state's single point of contact for economic development and job creation efforts is the Governor's Office of Business and Economic Development (GO-Biz), which was created in 2012. GO-Biz is expanding its international activities in 2019, including in Mexico, where it will open the California Trade and Service Desk in Mexico City.

The "Participants" have previously successfully collaborated on efforts to spur innovation and business growth in California. For example, GO-Biz partnered with the University of California through the "GO-Biz Innovation Series." This series, initially held on UC campuses, fostered discussions about innovation and business in California. One goal of the Series was to engage California's higher education system (first UC and then California State University System). This partnership also increased the visibility of California's higher education system as a worldwide leader in education, research, and public service, and expanded its potential to produce innovation that led to new business growth.

SECTION II

OBJECTIVE

The objective of this "MOU" is to establish a lasting basis for collaboration between the "Participants" in achieving their goals with regards to Mexico and the Americas. Both "Participants" share the common goal of creating a sustained, strategic, and mutually-beneficial partnership with their Mexican counterparts.

For the University of California, this is achieved by working in areas of common interest, such as arts, culture, education, energy, environment, and health.

For the Government of California, the goal is to strengthen the state's significant trade relationship with Mexico and promote some of California's most vibrant economic sectors, including agriculture, life sciences, medical technology, software and renewable energy.

SECTION III

SCOPE OF COLLABORATION

There will be two institutions that will be the point of collaboration between the "Participants." The University of California will be represented by the UC Mexico Program, typically by the Casa de California. The Government of California will generally be represented by the Governor's Office of Business and Economic Development. The purpose of the collaboration between the "Participants" is to jointly support the mechanisms that spur cross-border collaboration, innovation and business growth in and between California and Mexico.

In the furtherance of the objectives of the present "MOU," the "Participants" agree that:

- The University of California's Casa de California will provide office space for GO-Biz's
 representatives in Mexico at no cost to GO-Biz. If sufficient resources are mobilized, Casa de
 California will also provide staff assistance to assist GO-Biz with related representational,
 research, and logistical support. This support could also be made available to other entities in
 the state government, including providing support for official visits by California delegations
 to Mexico.
- 2. GO-Biz and the University of California will cooperate in the area of innovation. This collaboration may take various forms, building on different initiatives in government and academia as well as building on past collaboration between GO-Biz and UC. The two entities may also agree to collaborate on joint future initiatives. Collaboration will include UC's Office

of Innovation & Entrepreneurship and its efforts to market UC-created patents across a variety of economic sectors in Mexico. GO-Biz will run the California Trade and Service Desk and will encourage and facilitate trade and investment activity. Although the desk will focus on such activity, the desk may also be a point of contact for California state agencies on other matters relating to Mexico.

 When appropriate, the California Trade and Service Desk and UC will support each other in hosting activities that might benefit both entities. These include, but are not limited to, workshops, seminars, official visits, and other events.

SECTION IV

RELATIONSHIP

The "Participants" acknowledge that implementation of any major cooperative activity will be contingent on agreement that it serves the common interests of the involved institutions, as well as on the availability of financial resources. These major cooperative activities shall be negotiated and decided in writing between the "Participants."

The "Participants" will make reasonable efforts to carry out the collaborative activities referred to in this "MOU," within the scope of their respective legal competence. None of the provisions in this "MOU" produces, modifies, or alters any right, obligation, or requirement previously established.

SECTION V

POINT OF CONTACTS FOR EACH PARTICIPANT

The "Participants" assigned as points of contact for the institutional implementation of the terms of this "MOU" shall be:

 For the "University of California:" Executive Director, Casa de la Universidad de California en México with copy to Director, UC Mexico Initiatives.

Electronic Mail: allert.brown-gort@ucop.edu; cc: sbertozzi@berkeley.edu

2. For the "Government of California:" Director, Governor's Office and Business and Economic Development

Electronic Mail: <u>bud.colligan@gobiz.ca.gov</u>; cc: <u>lenny.mendonca@gobiz.ca.gov</u>

Or, in either case, their designee, in writing.

SECTION VI

FINAL PROVISIONS

This "MOU" shall become effective upon its signature and shall remain in force for five (5) years from the date of the last signature.

At the end of the initial five-year term and at the end of each subsequent year, this "MOU" will automatically extend for one year unless either of the "Participants" notifies the other in writing of their intent to modify or terminate the "MOU."

No amendment of the terms of this "MOU" will be effective unless made in writing, with specifics on the date on which such modification is to become effective and signed by each "Participant's" authorized signatory.

Either of the "Participants" may, at any time, withdraw from this "MOU" by providing a written notice to the other "Participant" sixty (60) days in advance. The termination of this "MOU" shall not affect the conclusion of the cooperation activities that may have been formalized during the time this "MOU" is in effect, unless the "Participants" mutually decide otherwise.

Signed in Sacramento, CA on the XX th two thousand and nineteen in two original copies.

FOR THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

FOR THE GOVERNMENT OF THE STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA

Kim A. Wilcox Chancellor

University of California, Riverside

Lenny Mendonca

Director, Governor's Office of Business and Economic Development Government of the State of California